COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST FOR CONFIDENTIAL TREATMENT OF)
THE INFORMATION FILED WITH THE PROPOSED)
TARIFF OF SOUTH CENTRAL BELL TELEPHONE)
COMPANY FOR NATIVE MODE LAN INTER-)
CONNECTION SERVICE

CASE NO. 94-328

ORDER

This matter arising upon petition of BellSouth Telecommunications, Inc., d/b/a South Central Bell Company ("South Central Bell"), filed August 31, 1994, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the projections of demand, revenue, contribution and cost support data developed in connection with its proposed tariff for Native Mode Lan Interconnection Service ("NMLI") on the grounds that disclosure of the information is likely to cause South Central Bell competitive injury, and it appearing to this Commission as follows:

NMLI allows customers with multiple local area networks to communicate between those networks at the data speed inherent in their particular type of network. By this petition, South Central Bell seeks to protect as confidential the projections of demand, revenue, contribution and cost support data developed in connection with its tariff proposal for the new service.

The information sought to be protected is not known outside South Central Bell and is not disseminated within South Central Bell except to those employees who have a legitimate business need to know and act upon the information. South Central Bell seeks to preserve and protect the confidentiality of the information through all appropriate means.

KRS 61.872(1) requires information filed with the Commission to be available for public inspection unless specifically exempted by statute. Exemptions from this requirement are provided in KRS 61.878(1). That section of the statute exempts 11 categories of information. One category exempted in subparagraph (c) of that section is commercial information confidentially disclosed to the Commission. To qualify for that exemption, it must be established that disclosure of the information is likely to cause substantial competitive harm to the party from whom the information was obtained. To satisfy this test, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

NMLI is an alternative to dedicated private line networks. South Central Bell's competitors for this service are providers of fiber networks. Disclosure of this information would enable competitors to determine South Central Bell's cost and contribution from the service which could be used to market their competing service to the detriment of South Central Bell. Therefore, disclosure of the information is likely to cause South Central Bell competitive injury and the information should be protected as confidential.

This Commission being otherwise sufficiently advised,

IT IS ORDERED that the projections of demand, revenue, contribution and cost support data developed in connection with the tariff proposal for NMLI, which South Central Bell has petitioned to be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 30th day of September, 1994.

PUBLIC SERVICE COMMISSION

Chairman

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ATTEST:

Executive Director